Introduction to Payroll Reports

General Information

The report and contributions are due within five working days after each regularly occurring payday.

Retirement statutes require your agency to send a payroll report and retirement contributions to MPERA within five *working* days after each regularly occurring payday. Section 19-2-506, MCA provides for a penalty of 9% or $10.00 a day, whichever is greater, on all late reports.

Reporting agencies must use the MPERA's Web Reporting system and must remit payment via automated clearing house (ACH). The two ways of reporting using the MPERA's Web Reporting system are: (1) file transfer of an internal computer generated payroll file (Transfer and Load); or (2) copy from previous report period (Copy Forward).

Only when the reporting agency does not have access to the internet, payroll information may be reported in one of the approved alternate methods: (1) electronic reporting by computer generated diskette; or (2) hard copy turnaround report.

Detailed descriptions of each reporting method are provided in subsequent chapters.

Agencies must report ***all*** *employees even if they are not a member of a retirement system.*

All reports require the same information. The report should list every employee in your agency. **This does not include any position reported to and paying contributions to TRS, or university system employees (academic and professional staff) who are eligible only for the ORP.** Retirement statutes exclude certain employees from membership and membership may be optional for others. For more information about membership, refer to the Membership Section listed under the specific retirement system chapter.

If a new employee is receiving a monthly retirement benefit from MPERA, see the System Requirements for Working Retirees for further reporting information.

Payroll Report Information

The payroll report must reflect the following for each employee, even if not a member of a retirement system.

- **SSN** – Employee's social security number.
- **Last Name** – Employee's last name. Should be the same as the membership card.
- **First Name** – Employee's first name. Should be the same as the membership card.
- **MI** – Employee's middle initial.
- **Term Box** – Must be checked if this is the employee's last reported earnings.

- **Earnings** – Gross salary, wages, or compensation paid to the employee for the pay period. Include pay for regular, overtime, sick leave and annual leave used.
- **Contrib.** – Contributions are deducted pre-tax from the employee's salary. Use the employee's gross salary to calculate contributions. Contributions **should not** be withheld on payouts of sick or annual leave unless the employee is terminating. Withhold contributions before federal and state taxes. The contribution rate is dependent upon the employee's retirement system. See the System Requirements for appropriate contribution rates.
- **Hours** – All hours for which the employee received pay, salary, or compensation. Include all regular, overtime, sick leave and annual leave hours. You <u>must</u> report hours for all paid compensation so that service can be credited properly.
- **Zero Earn Box** – Must be checked if you are reporting an employee with zero earnings during the pay period.
- **Hourly Rate** – Hourly rate of pay the employee receives.
- **Service Purchases** – Type and amount of service purchase. If you pay your employees more than once a month, the withholding can be reported in a full payment once a month or half of a payment (+/- $.01) twice a month. If you have three paydays in a month, do not withhold service purchase contributions on the third payday.
- **Full/Part Time** – Indicate whether the employee is (Y) part time or (N) full time.
- **Position Type** – Indicate whether the employee is (P) permanent, (S) seasonal (T) temporary or (N) non-contributing employee (employees who are not retirement system members). If an employee has a gap of three or more months between pay checks list them as 'seasonal'.
- **Date of Hire** – The first day the employee reports to work with your agency.

PAYROLL SUMMARY INFORMATION

The payroll summary, or total page, must reflect the following.

- **Count** – Number of employees listed on report.
- **Hours** – Total hours of all employees reported.
- **Earnings** – Total earnings of all employees reported.
- **Employee Contributions** – Total contributions withheld from all employees reported.

- **Service Purchase Contrib –** Total service purchase contributions withheld from all employees reported.
- **Employer Contributions –** The total earnings times the current contribution rate for the employer. The contribution rate is dependent upon the retirement system.
- **Penalty Paid –** Amount of any penalty paid. (Currently not an active field for web reporting)
- **Total Due This Report –** Total Employee, Service Purchase and Employer Contributions due this report. For Paper Reporters this would also include any penalties being paid.
- **Over/Under Balance (Web Only) –** Indicates any amounts owed MPERA or credits due your agency outside of this report.
- **Remitted This Report (Web Only)** – Amount paid this report. This may be different from your total due if other amounts owed MPERA are being paid or credits issued are being used.
- **Over (+)/Short (-) (Web Only) –** Any remaining balance after completing the payroll report.

Web Reporting

Web Reporting Process

To start MPERA Web Reporting, agencies will need access to the internet and Microsoft Internet Explorer (version 5.0 or higher). The following information addresses:

1. System Startup
2. Login
3. Reporting using the Copy Forward method and Transfer and Load of Payroll File method.

See Electronic Reporting section for file specifications.

System Startup

Hint: Bookmark the MPERA website address. (e.g., add to your favorites list and save to your desktop.)

Using Microsoft Internet Explorer, go to the MPERA Web Site at http://mpera.mt.gov. Click on the **Employer Web Reporting** button located on the right hand side of the home page.

If you are having trouble connecting and you know you have Internet Explorer 5.0 or higher, you may need to reconfigure your Internet Explorer. To reconfigure, click on the **Contact and Browser Information** button. Follow the instructions that appear.

Security Warnings

You may or may not get security warning screens depending on your computer configuration. Always accept security warnings from 'Oracle Corp'.

Login with the user name and password assigned by MPERA..

Login Screen

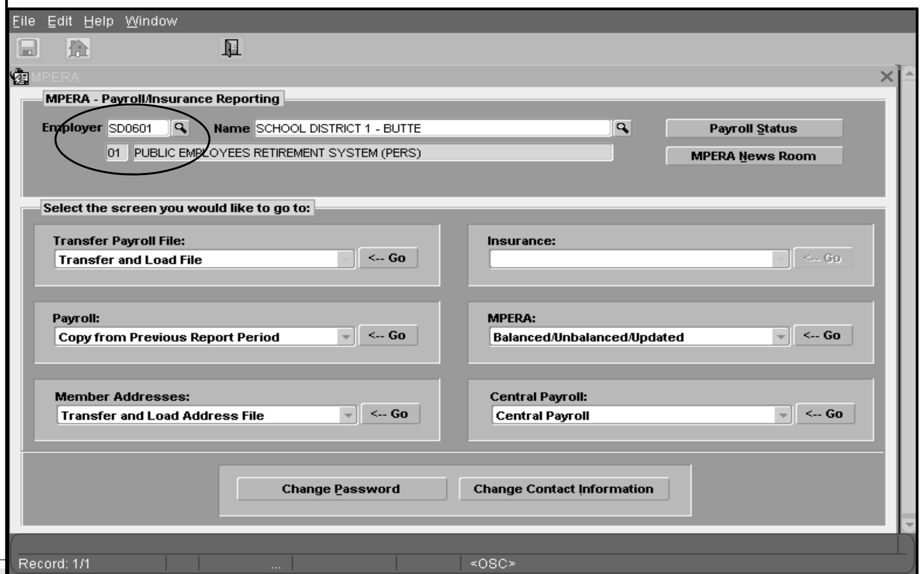
Change your password the first time you log into the application. To change your password click on the **Change Password** button at the bottom of MPERA's Web Reporting home page.

Three unsuccessful attempts to enter your password will lock you out. Contact MPERA at 406-444-3154 or toll-free 1-877-275-7372 to have your password reset.

Upon successful login, MPERA's Web Reporting home page will be displayed.

NOTE: The **Change Contact Information** screen may be displayed to update contact information. When you have made any necessary updates click **OK**.

At the MPERA Web Reporting home page, if your Employer number is not in the EMPLOYER field, enter the number or select it by clicking on the magnifying glass.

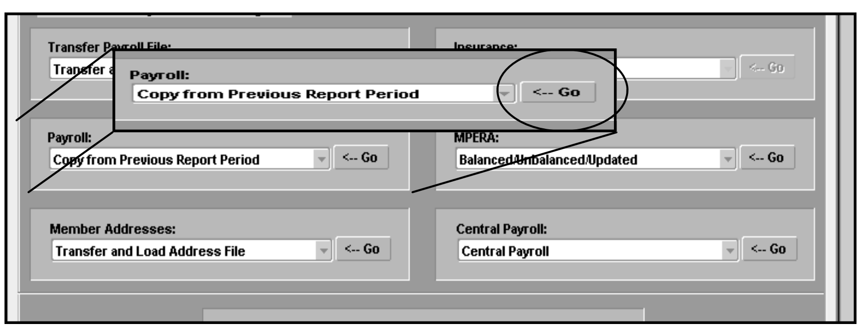


There are two ways to report: Copy Forward and Transfer and Load File.

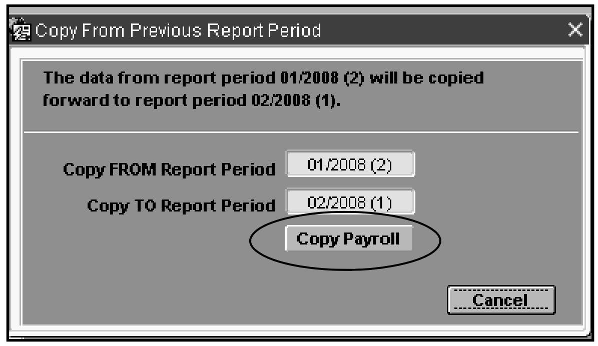
There are two ways to report payroll on the web; the Copy Forward method and the Transfer and Load File method. The following information is the process for the <u>Copy Forward</u> method. For Transfer and Load, see page 12.

Copy Forward Method

Locate the Payroll box on the left hand side of the screen. Click on GO next to the white box that says 'Copy From Previous Report Period'.



The following window is displayed.

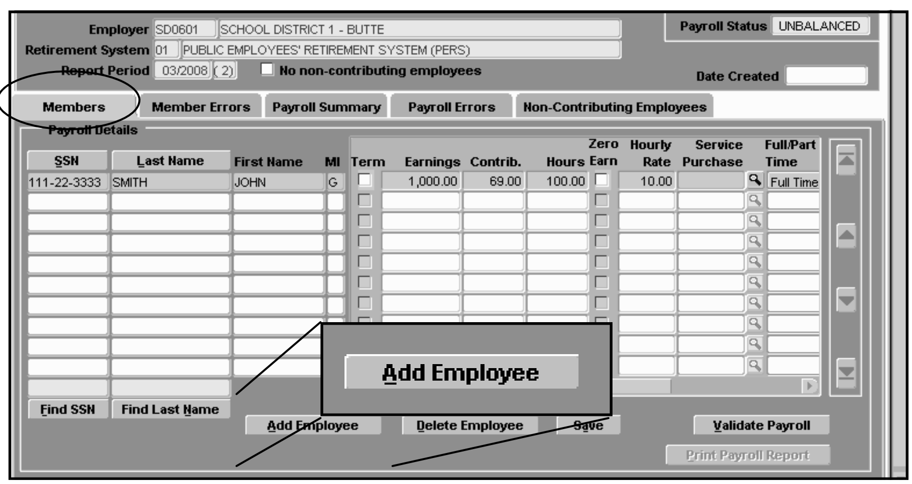


The Copy FROM Report Period box indicates the last payroll report filed. The Copy TO Report Period box indicates the current report being submitted. Click on the COPY PAYROLL button to copy information from the last report to the new report.

Be sure to check the TERM box for any employee leaving your agency.

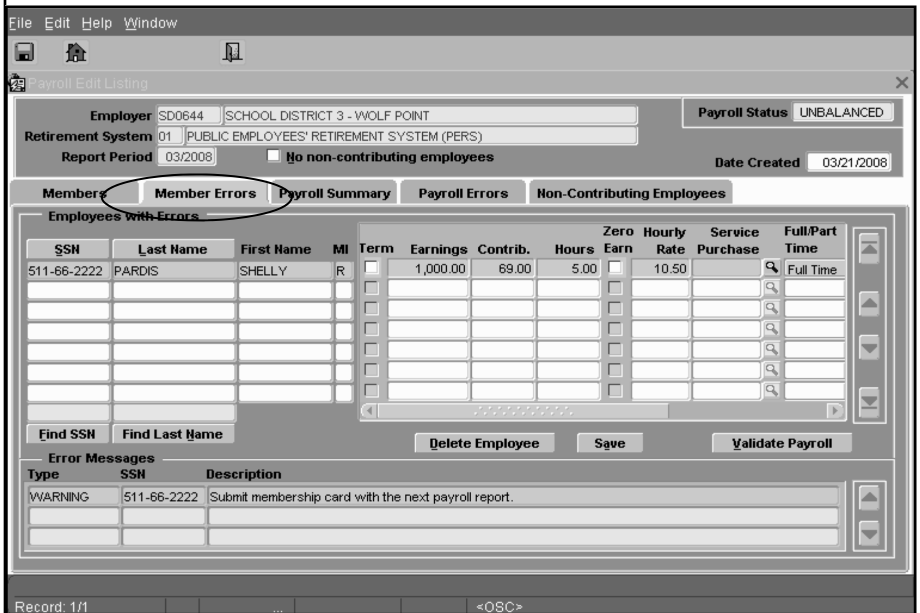
The payroll report will open to the Members tab which lists all employee records that were reported on the last payroll report filed. A reminder message will pop-up: 'Remember to check the TERM check box for any employee leaving your agency'. Click OK to close the message.

There are five tabs within the payroll report area.

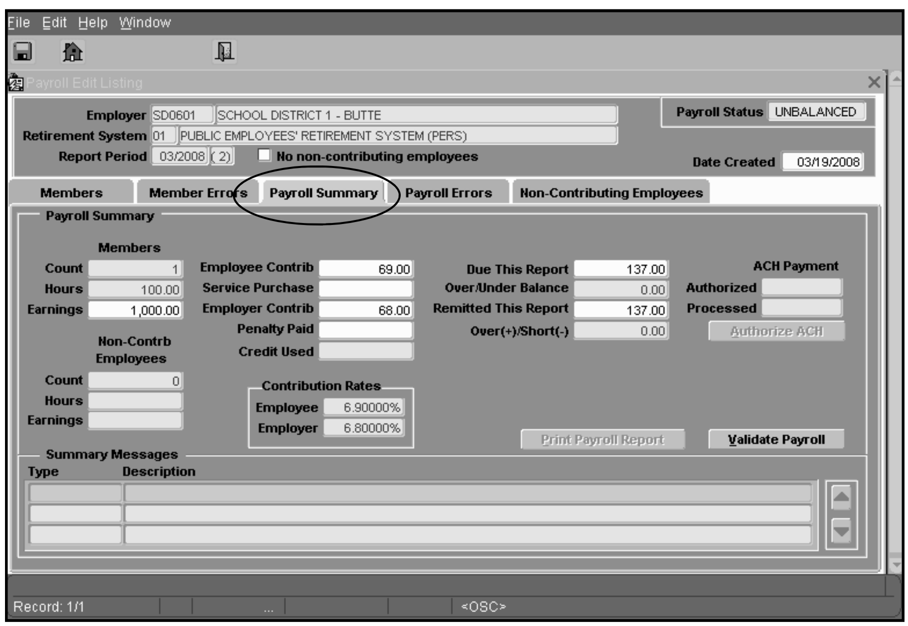


Additional information is accessible by sliding the scroll bar at the bottom of the listing.

Members Tab: Provides the ability to view, add, update and delete payroll and contribution information for all contributing employees. Update any information that has changed. New employees can be added by clicking on the ADD EMPLOYEE button. You can access additional employee information by sliding the scroll bar at the bottom of the listing. Refer to page 1 of the Payroll Reports section for a description of each field.

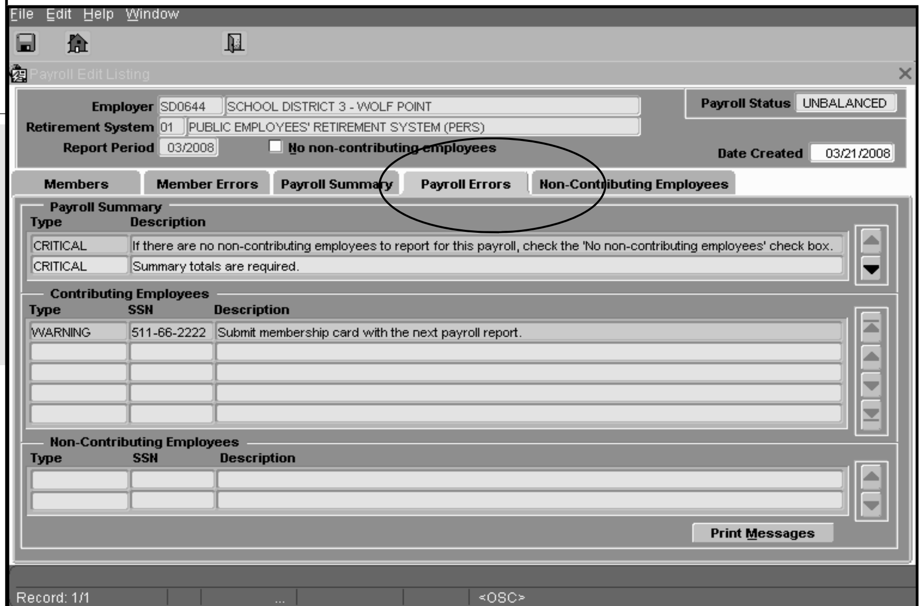


Member Errors Tab: Lists all contributing employees with errors. Corrections can be made from here or on the **Members Tab**.

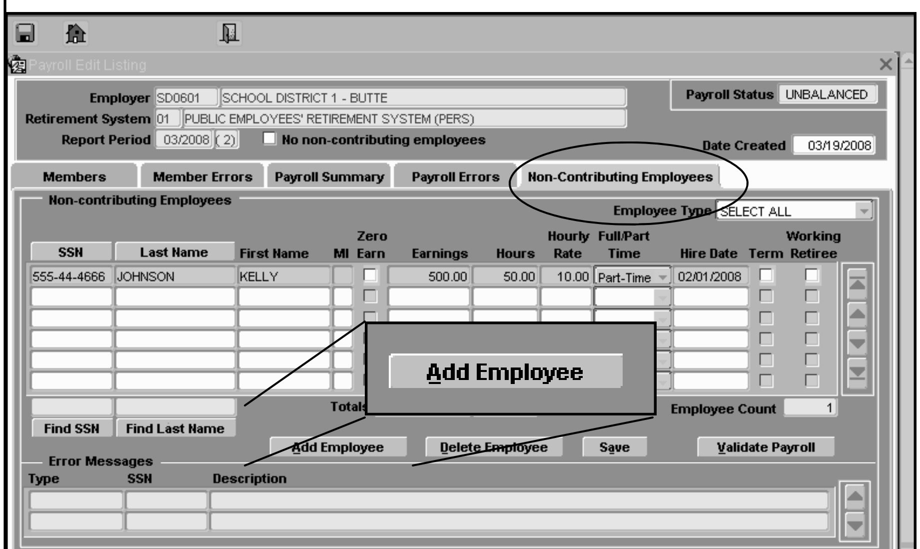


Payroll Summary Tab: Allows you to view and update the employer summary information as well as view the error messages, if any, associated with the summary.

Review all errors listed on your report. CRITICAL errors must be corrected for your report to process.



Payroll Errors Tab: Lists all employee and employer error messages associated with this report.



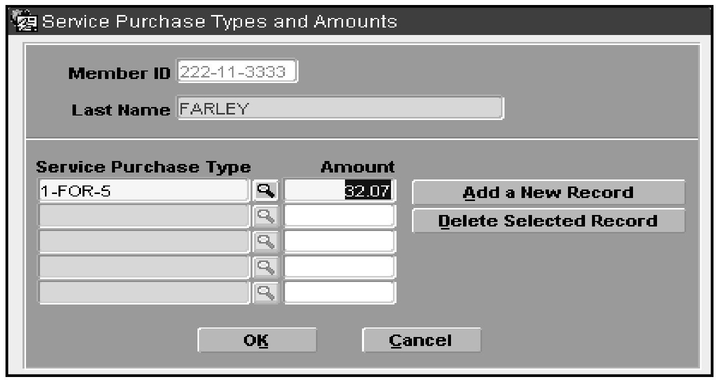
Non-Contributing Employees Tab: Provides the ability to view, add, update and delete payroll information for all <u>non-contributing</u> employees. Update any information that has changed. New employees can be added by clicking on the ADD EMPLOYEE button. You can access additional employee information by sliding the scroll bar at the bottom of the listing. Refer to <u>page 1</u> of the Payroll Reports section for a description of each field.

After you have made necessary changes or corrections to payroll information, click the SAVE button. See page 11 for error messages.

Service Purchase Data

To Add or Change Service Purchase Data, click on the **Members tab**.

- Highlight the record of the affected employee.
- Click on the magnifying glass to the right of the Service Purchase field. The below window pops up.



To add a service purchase:

- Click on the magnifying glass and highlight the service purchase type being reported. Click OK.
- Enter the full or half-payment amount withheld for the service purchases. The amount entered must be the same as the contract signed by the employee. Do not enter service purchase information until you receive an approved contract from MPERA. Click OK.

To add another service purchase, click on the Add a New Record button. Follow previous instructions.

To delete a service purchase:

- Highlight the service purchase record and click on the Delete Selected Record button. A message will pop up: '**Are you sure you want to delete the buyback type of ______.**' Click Yes.
- Do not delete service purchase contracts until you receive notification from MPERA.
- Once the change is complete, click OK.

To exit this area without saving, click on Cancel.

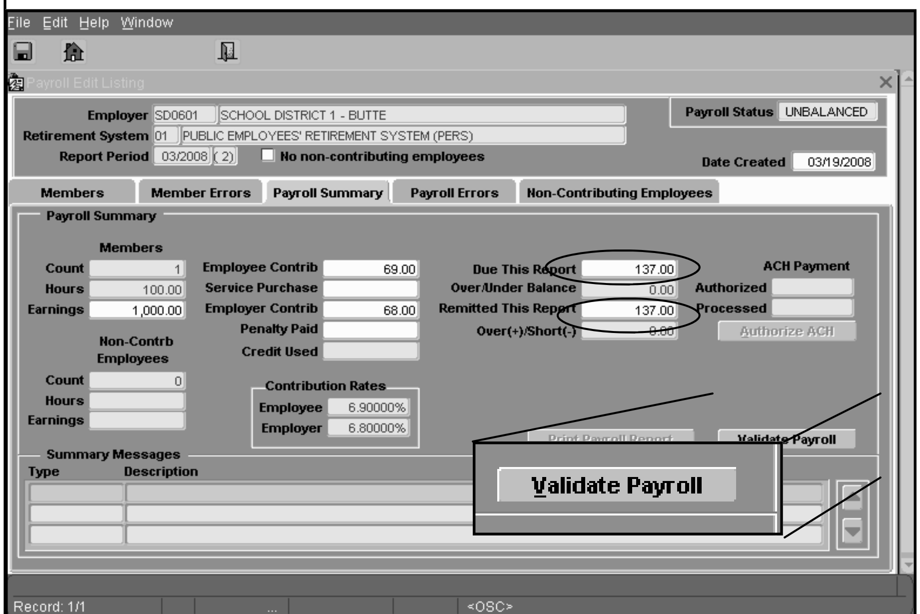
Add a New Employee

To Add New Employees, click on the NEW MEMBER button located on the bottom of the **Members** or **Non-Contributing Employees tab**. This will create an open line for entry.

- Enter all required information.
- Review the selected entries and click on Save

Completing Your Payroll Report

Click on the **Payroll Summary tab**. Enter the totals for Earnings and Contributions. Enter the amount of check/payment in the 'Remitted This Report' box. This should match the Total Due field unless there is an over/under balance.



Validate Payroll

Click on the VALIDATE PAYROLL button. A message will pop up that says **'Payroll is error free – authorize ACH payment'** or **'Payroll is error free – awaiting payment to be BALANCED. Next report period is ________.'** Click OK. Any other messages indicate there are errors that still need to be corrected.

Error Messages

To review error messages, click on **Payroll Errors tab**. Correct all critical errors to finalize your payroll report. The top section refers to errors on the **Payroll Errors tab**. The middle section refers to errors on the **Payroll Summary tab**. The bottom section refers to the errors on the **Non-Contributing Employee tab**.

*All **critical** errors MUST be corrected to process your payroll report.*

The payroll WILL process if the WARNING error types are NOT corrected. These errors are usually due to a missing membership card, or when a name listed on the payroll report is different than on MPERA's database.

Re-validate after making the corrections. If you need assistance, contact MPERA.

If you pay by ACH, go to page 18.

NOTE: Payroll reports cannot be printed until payment has been posted by MPERA.

To submit payment by check, go to the **Payroll Summary tab** and take a screen print of the total page. (See Additional Reporting Information section for instructions.)

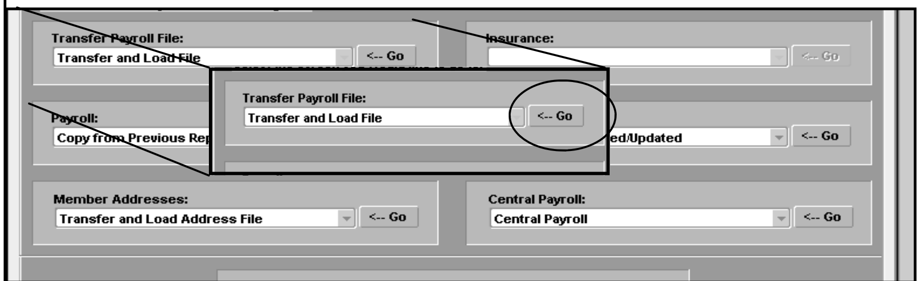
Attach check to screen print. Make sure the amount of the check matches the remitted amount indicated on the **Payroll Summary** page. Mail the check and screen print to MPERA.

TO RETURN TO THE MPERA WEB REPORTING HOME PAGE, CLICK ON THE GREEN HOUSE IN THE UPPER LEFT HAND CORNER OF THE WINDOW.

Transfer and Load Payroll File

The following information is the process for the Transfer and Load method.

At the MPERA Web Reporting home page, if your Employer number is not in the EMPLOYER field, enter the number or select it by clicking on the magnifying glass.



From MPERA's Web Reporting home page, locate the Transfer Payroll File box on the left hand side of the screen. Click on GO next to the white box that says "Transfer Payroll File".

The following window will be displayed:

You will need to know where your electronic file is located on your PC or network.

Select the BROWSE button.

Navigate through the directory structure and locate the payroll file for transfer. Select the file by double clicking on it. The file path will appear in the BROWSE window.

Click on the SUBMIT button and wait for the screen which confirms the file has been successfully transferred, loaded and validated. If you get a message that errors were found, correct the errors and transfer your file again. If you need assistance, contact MPERA. If there are no errors, close the window and finalize your payroll through the reporting application.

If you have 500 or more employees to report, the payroll file will take some time to load.

NOTE: If you are reporting more than 500 members, a window will appear requesting an e-mail address. Enter your e-mail address and click SUBMIT to validate your file. You will receive an e-mail from MPERA when the validation is complete. You may then verify your payroll.

Verify Payroll

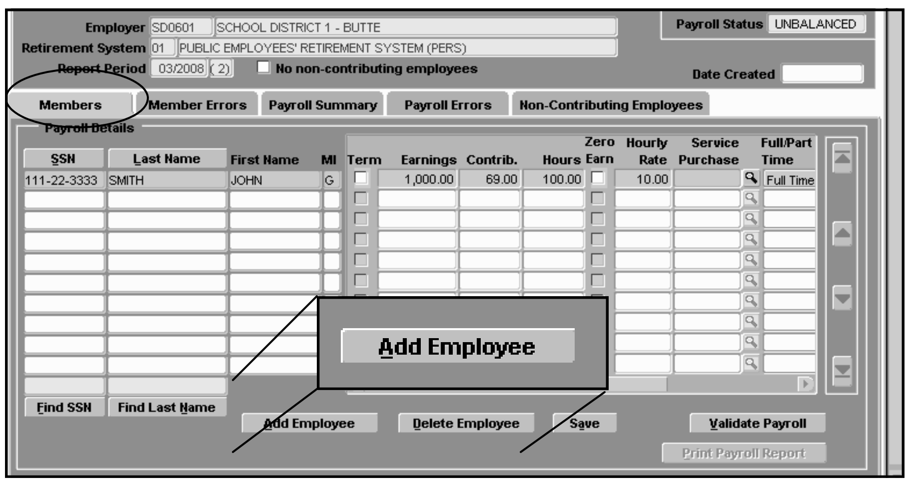
Verify the payroll information on the file by one of two methods:

- Click on the PAYROLL STATUS button to the right of your name. A box will open up with blue words that say ACTION REQUIRED – CLICK HERE. Click to access your report; OR
- Click on the drop down arrow in the PAYROLL box on the left hand side of the screen to open the menu. Click on PAYROLL UPDATE and click GO to access your report.

The payroll report will open to the **Members tab**. A reminder message will pop-up: 'Remember to check the TERM check box for any employee leaving your agency'. Click OK to close the message.

Be sure to check the TERM box for any employee leaving your agency.

There are five tabs within the payroll report area.



Additional information is accessible by sliding the scroll bar at the bottom of the listing.

Members Tab: Provides the ability to view, add, update and delete payroll and contribution information for all contributing employees. Update any information that has changed. New employees can be added by clicking on the ADD EMPLOYEE button. You can access additional employee information by sliding the scroll bar at the bottom of the listing. Refer to page 1 of the Payroll Reports section for a description of each field.

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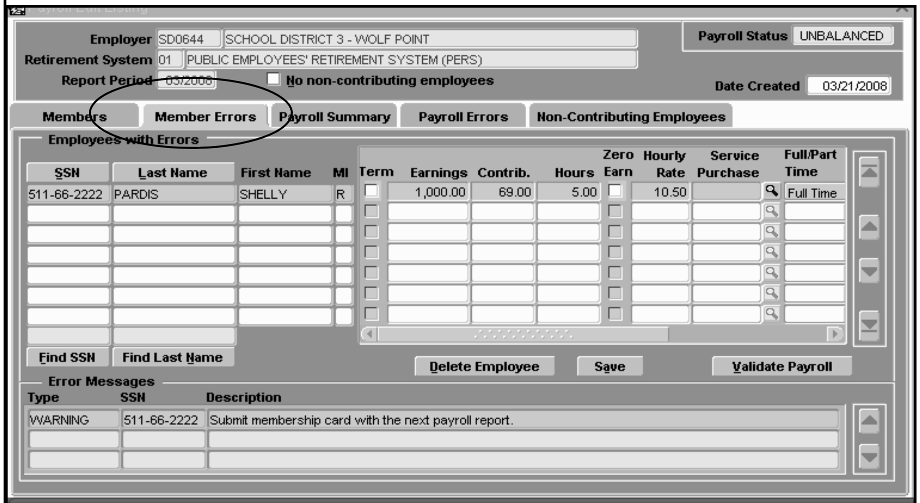
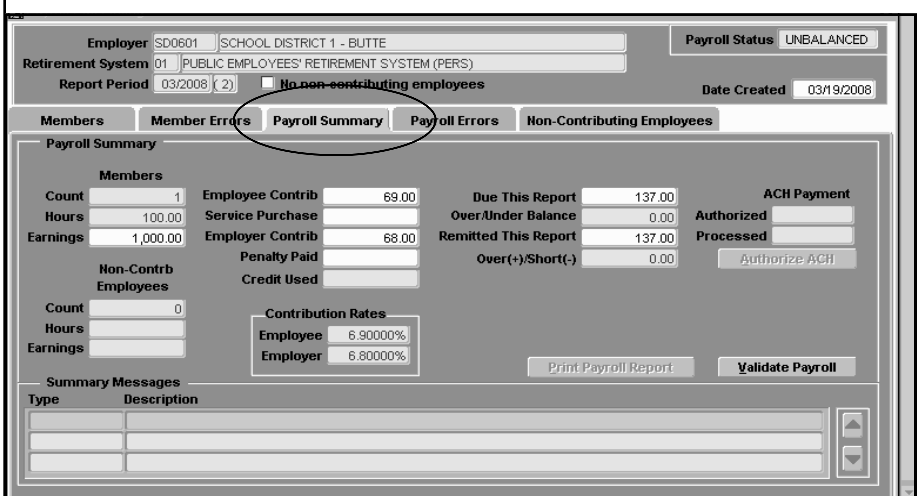
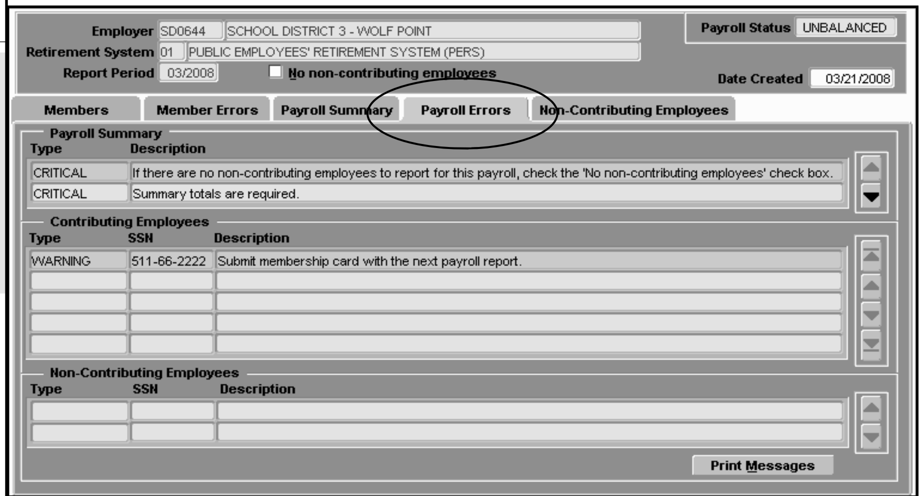


Member Error Tab: Lists all contributing employees with errors. Corrections can be made from here or on the **Members** Tab.

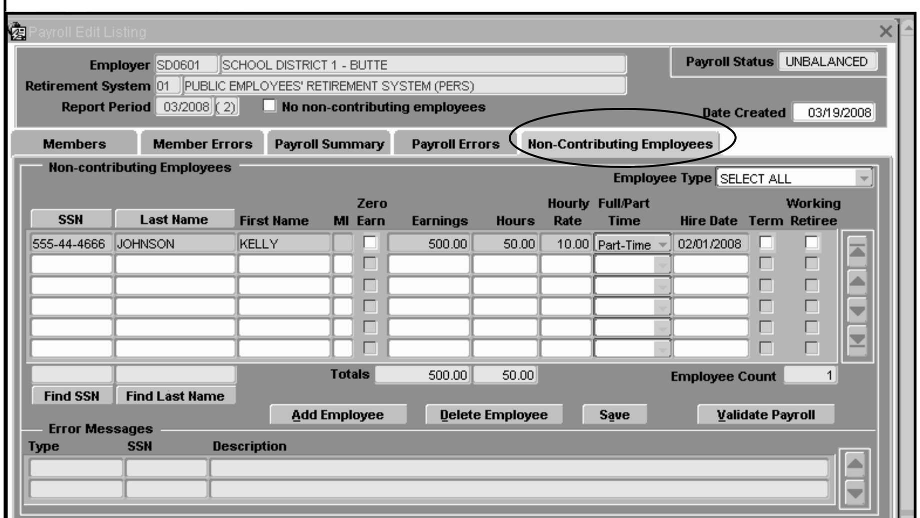


Payroll Summary Tab: Allows you to view and update the employer summary information as well as view the error messages, if any, associated with the summary.

Review all errors listed on your report. CRITICAL errors must be corrected for your report to process.



Payroll Errors Tab: Lists all employee and employer error messages associated with this report.



Non-Contributing Employees Tab: Provides the ability to view, add, update and delete payroll information for all non-contributing employees. Update any information that has changed. New employees can be added by clicking on the ADD EMPLOYEE button. You can access additional employee information by sliding the scroll bar at the bottom of the listing. Refer to page 1 of the Payroll Reports section for a description of each field.

Completing Your Payroll Report

If errors are detected based on editing requirements, a message will pop up. Acknowledge the message by clicking on OK. Then correct the errors.

Once all critical errors have been corrected, click on the **Payroll Summary tab** to verify the totals for Earnings, Contributions and Total Due. If the totals are correct, enter the amount of check/payment in the 'REMITTED THIS REPORT" box. This should match the Total Due unless there is an over/under balance.

IMPORTANT: Verify that you have transferred the correct payroll file by checking your summary totals.

Validate Payroll

Click on the VALIDATE PAYROLL button. A message will pop up that says **'Payroll is error free – authorize ACH payment'** or **'Payroll is error free – awaiting payment to be BALANCED. Next report period is ________.'** Click OK. Any other messages indicate errors that need to be corrected.

Error Messages

To review error messages, click on **Payroll Errors tab**. Correct all critical errors to finalize your payroll report. The top section refers to errors on the **Payroll Errors tab**. The middle section refers to errors on the **Payroll Summary tab**. The bottom section refers to the errors on the **Non-Contributing Employee tab**.

All **critical** errors must be corrected to process your payroll report.

The payroll WILL process if the WARNING error types are NOT corrected. These errors are usually due to a missing membership card, or when a name listed on the payroll report is different than on the MPERA database.

Re-validate after making the corrections. If you need assistance, contact MPERA.

If you pay by ACH, go to page 18.

NOTE: Payroll reports cannot be printed until payment has been posted by MPERA.

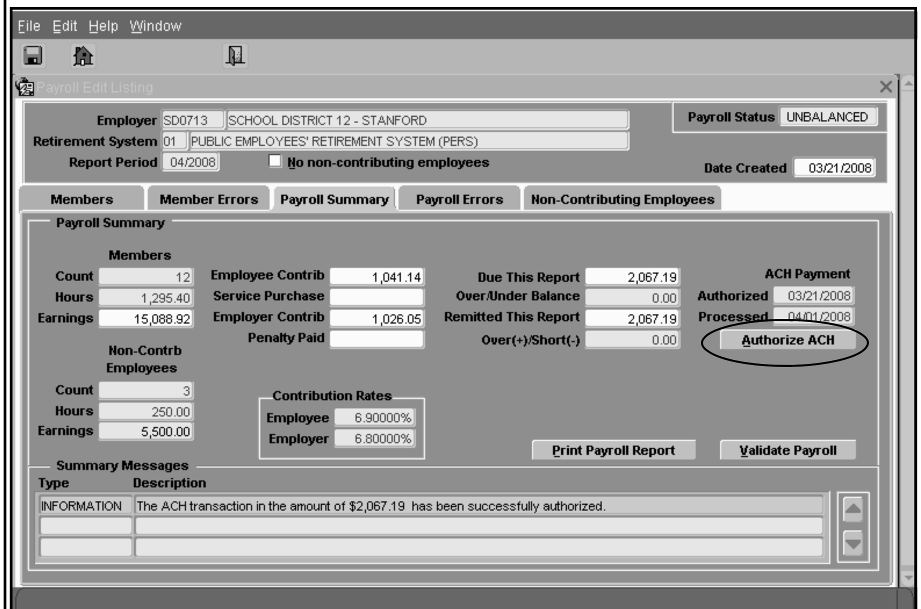
To submit payment by check go to the **Payroll Summary tab** and take a screen print of the total page. (See Additional Reporting Information section for instructions.)

Attach check to screen print. Make sure the amount of the check matches the remitted amount indicated on the **Payroll Summary** page. Mail the check and screen print to MPERA..

TO RETURN TO THE MPERA WEB REPORTING HOME PAGE, CLICK ON THE GREEN HOUSE IN THE UPPER LEFT HAND CORNER OF THE WINDOW.

This page has been left blank.

Once a Payroll is error free, select the 'AUTHORIZE ACH PAYMENT' button on the right side of the **Payroll Summary** page.



IMPORTANT: Be sure the funds are in the correct account before submitting your ACH payment.

If you are authorizing your payment prior to your due date (5 working days after each regularly occurring payday), a message will pop up allowing you to select the date on which your ACH Payment will be authorized. Select the date you wish the payment to be authorized and click on the AUTHORIZE PAYMENT button. If you are processing your payment on the due date or later you will not be given this option.

A message will pop up stating your ACH payment has been successfully authorized and payroll is ready to be posted. Click OK.

If the ACH payment has not been postponed, the status field in the upper right hand corner of the screen will indicate "Balanced". If the ACH has been postponed, the status will read "Unbalanced".

Select the "Print Payroll Report" button at the bottom of the page to print a copy of the report.

TO RETURN TO THE MPERA WEB REPORTING HOME PAGE, CLICK ON THE GREEN HOUSE IN THE UPPER LEFT HAND CORNER OF THE WINDOW.

Paper Reporting Method

The following section explains how to report using the turnaround paper report method (GABA Payroll Report). You may only use this method if approved by MPERA.

MPERA will provide the agency with the turnaround payroll forms after receipt of the previous report. The new report is an image of the previously submitted report. If an employee's information is the same as the previous report, no changes are needed.

Section One: Main Member Section

The following paragraphs discuss procedures for correcting items on the Main Member Section of the GABA Payroll Report. **Figure 1** is an example of the Main Member Section.

Make all corrections in RED above the incorrect information.

Salary, Contributions, Hours, Hourly Rate and Indicators:

- Draw a line through incorrect salary, contribution, hours, hourly rate, and/or indicators. Above the lined out information, print the corrections in **red**. When only one digit of an item is wrong, line through and rewrite the entire item.
- If an employee did not earn any salary for the pay period, draw lines through the old salary, contributions, and hours **and write zeros above these**.
- Write the word terminated, retired, or deceased above the last name if the employee will no longer be on the payroll. **DO NOT** line through the name or social security number. You must note this on the report with the employee's **final** salary payment.

Make sure the date at the top of the form is the same as the pay period being reported.

Name Changes:

- For name changes or corrections, draw a line through the incorrect name and write the correct name above. If the last name is incorrect, you do not need to line through the whole name, just the last name. **DO NOT** line through the social security number. A new membership card **must** also be completed.

Social Security Number (SSN):

- Correct the SSN by writing the correct number in **red** above. **Do not line through the SSN listed**.
- Verify the SSN with the employee before submitting the change to MPERA. If the SSN is also wrong on the membership card, a corrected card must be completed and sent to MPERA.

FIGURE 1
GABA Payroll Report - Main Member Section

NOTE: PLEASE MAKE ALL CHANGES IN RED

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

HELENA, MONTANA 59620-0131

XX1000 EMPLOYER - SOMEWHERE MONTANA **FOR 04/20XX PAGE: 1**

SSN	LAST NAME / EARNINGS	FIRST NAME / CONTRIBUTIONS	HOURS	MI	PT	SSNL / HOURLY RATE
SERVICE PURCHASES: TYPE AND AMOUNT						
123-45-6789	ADAMS	MARIE		J	N	P
	423.62	29.23	59			7.18
987-65-4321	BOOTH	RUBY		M	Y	P
	220.00	15.18	40			5.50
456-78-9321	BRAUN	MARY		G	N	P
	1,135.40	78.34	140			8.11
000-01-0000	BROWN	SAMANTHA			N	P
	1,539.20	106.20	160			9.62
804-56-8888	CARLSEN	CARL		C	N	P
	951.42	65.65	101			9.42
905-55-6666	CROSSMAN	CAROLE		M	N	P
	895.87	61.82	101			8.87
REFUND		42.23				
704-44-5555	DONAHUE	PHILLIP		J	N	P
	556.10	38.38	83			6.70
603-33-222	FORSEMAN	MAXINE		P	N	P
	2,812.80	194.08	160			17.58
1 FOR 5		41.59				
508-88-9999	FORESTER	WILLIAM		B	N	P
	1,782.00	122.96	162			11.00
407-77-1234	FREEZE	THERESA		O	Y	P
	371.07	25.60	57			6.51

Section Two: New Members

You must initially report new employees in the New Member section. The New Member section will always be a separate page. The Main Member section should list all current employees, but if an employee is not listed, report the employee as a new member. **Do not** place information on a new employee in the Main Member section of the report (**Figure 1**).

The New Member section is similar to the Main Member section and requires the same information. An entry for a new employee may contain three lines of information. The first line contains information about the new employee and employment. The second line contains financial information. Both lines require an entry. If the new employee does not have a middle initial, leave it blank. **Figure 2** is an example of the New Member page. **Double check the SSN** with the employee's social security card to ensure it is correct and matches the number on the membership card.

For each new employee, you must provide the following information. Refer to page 2 of the Payroll Reports section for an explanation of each item.

<u>First line:</u>

SSN - LAST NAME - FIRST NAME - MI
HIRE DATE - PT (Full/Part-Time) - SSNL (Position Type)

<u>Second line:</u>

EARNINGS - CONTRIBUTIONS - HOURS
HOURLY RATE

<u>Third line:</u>

SERVICE PURCHASES: TYPE AND AMOUNT

You must complete the third line if the new employee is making a service purchase. New employees rarely start a service purchase upon being hired. You must submit a membership card for each contributing employee listed in the New Member section. When you receive your next GABA Payroll Report, it will list the new employee's name in the Main Member section of the report.

You must submit a membership card for each contributing employee listed in the New Member Section.

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Figure 2
GABA Payroll Report - New Member Section

01 XX1000 EMPLOYER—SOMEWHERE MONTANA FOR 04/20XX PAGE: 2

NEW MEMBERS

SSN LAST NAME FIRST NAME MI HIRE DATE PT SSNL
EARNINGS CONTRIBUTIONS HOURS HOURLY RATE
SERVICE PURCHASES: TYPE AND AMOUNT

Section Three: Total Page

The "Total" Page is a summary of your employee count, earnings, employee contributions, hours and service purchases contributions. You must complete the items for the pay period being reported. Each item requires an entry and the following paragraphs explain the entries. **Figure 3** (an example for PERS) is an example of the Total Page.

The Total Page is a summary of your employee count, earnings, contributions, hours and additional service purchase contributions.

- **EMPLOYEE COUNT** - The total number of employees reflected in this report.
- **EARNINGS** - Total earnings of all employees reported.
- **HOURS -** Total hours of all employees reported.
- **EMPLOYEE CONTRIBUTIONS WITHHELD** - The total contributions withheld from all employees.
- **SERVICE PURCHASES CONTRIBUTIONS WITHHELD -** The total contributions withheld for all employees who are purchasing service.
- **EMPLOYER CONTRIBUTIONS -** The total earnings times the current contribution rate for the employer. The contribution rate is dependent upon the retirement system.
- **PENALTY** – The amount of the penalty being paid for late reports.
- **TOTAL DUE -** Total Employee, Service Purchase, and Employer contributions withheld, including any Penalty paid.

The last item will be the signature and phone number of the person preparing the payroll report. You **must** provide this information.

Figure 3
GABA Payroll Report - Total Page
Contributions Rates Vary with Retirement Systems

01 XX1000 EMPLOYER - SOMEWHERE MONTANA for 04/20XX PAGE 3

IMPORTANT MESSAGE(S) TO EMPLOYERS FROM MPERA

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THIS MONTH PAYROLL REPORT TOTALS

EMPLOYEE COUNT:	EMPLOYEE CONTRIBUTIONS WITHHELD: RATE = 6.90000%
EARNINGS:	SERVICE PURCHASES CONTRIBUTIONS WITHHELD:
HOURS:	EMPLOYER CONTRIBUTIONS: RATE = 7.035000%
	PENALTY:
	TOTAL DUE:

SIGNATURE OF OFFICIAL PREPARING FORM PHONE NUMBER

****

MPERA USE ONLY

Note: The employer rate used in this example is for PERS as of July 1, 2007, subject to change, and is for local governments and school districts at an employer contribution rate of 7.035%. The PERS employer contribution rate is 7.035%, however, the State contributes 0.1% of the 7.035% for local governments and school districts. Central payroll agencies and the Universities employer contribution rate is 7.035%. Refer to other systems for their employee and employer rates.

Computer Diskette Reporting Method

This section explains how to report using the computer generated diskette reporting method. You may only use this method if approved by MPERA.

If you use payroll software, consult with your vendor to determine if the software produces a payroll reporting file that is compatible with MPERA's requirements.

See **Electronic Reporting** section for file specifications.

The diskette **must** be 3 ½ - inch, double sided, high density with a fixed record length of 80 bytes. It must have an external label with the following information:

1) Sender: agency name, employer number, and phone number.
2) Description: MPERA Member Address Update, month and year.

Employers reporting by diskette must mail their diskette, a hard copy of the payroll report and a check directly to MPERA.

MPERA
PO BOX 200131
HELENA MT 59620-0131